

440287

Eng - M60-148  
2 MAR 1960

Director of Logistics

Acting Director of Communications

Contract 635, Task Order 1 - [redacted]

Please Return To  
Engineering Staff

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DC 9131

9 MAR 1960

1. The subject contract provides for the development of the KE-12 Off-Line Keypunch with memory and non-destructive readout. Originally this equipment was to be used in conjunction with the KE-9 keypunch. Since the initiation of this contract, consideration has been given to the possibility of integrating the KE-9 keyboard into the KE-12 memory unit. It now appears that the savings in total volume, great reduction in total power, and elimination of one set of batteries make the combination of the two units desirable. Additionally, total component cost with the combined units would be cheaper since there are fewer expensive components in the combined unit.

2. Following discussions pertaining to the integration of these two units, the contractor was requested to submit a proposal with associated cost estimates. This proposal is attached and requests a total of \$20,535.00, including a fixed fee of \$1,343.00, to complete this work. This proposal and cost estimate has been reviewed by the Engineering Staff and is considered acceptable. Further, the contractor requests a time extension of one month to allow additional time to integrate the two units as well as provide sufficient time for Agency evaluation.

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3. It is requested that the subject contract with the [redacted] Corporation, [redacted], be amended in accordance with the attached documents to enable the integration of the KE-9 keyboard into the KE-12 keypunch. In addition, the delivery schedule of the subject contract should be extended to 30 November 1960. Attached for this purpose is Requisition No. M6B 60-311 indicating that the allotment to be charged for this work is 0179-0010-0000. Funds in the amount of \$20,535.00 have been encumbered for this purpose. The Agency association with this contract is classified SECRET. The deliverable items required under this contract are UNCLASSIFIED. The project engineer is Mr. [redacted]

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## Attachments:

1. Contractor's letter and cost estimate
2. Requisition No. M6B 60-311

## Distribution:

Orig. + 1 - Addressee w/attach.

1 - R&amp;D Subject File w/attach. #1

1 - [redacted] w/o attach.

1 - OC-T w/o attach.

1 - OC-A w/o attach.

1 - M6B w/o attach. 1 - OC-E and EP Chronos w/o attach.

## Coordination:

R&amp;D

OC-S

OC-E/R&amp;D/EP/OC-K/pjb (1 Mar. 625X1)

OC-B Ja 1/12

OC-T OC-A

OC-P

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9 February 1960

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Subject:  Change in Scope

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In response to your verbal request of 17 January 1960, we are forwarding herewith a revision to our estimate of 21 December 1959 covering the additional effort to integrate the present KE 9 Keyer into the equipment being developed under the subject project.

The revised total estimated cost-plus-fixed-fee for this effort is \$20,535 which includes a fixed fee of \$1,343. A detailed analysis of this estimate is attached.

This estimate is based upon the government furnishing the five (5) keyboards, thus eliminating the effort required for Burroughs to supply one (1) keyboard as outlined in the option in the previous proposal. Included in this estimate is \$2,544 which reflects the engineering effort expended on investigating the various options concerned with integrating the keyer function into the equipment.

The delivery schedule has been increased by one (1) month to provide additional time for your evaluation of the prototype model after the completion of Phase I. Thus, the revised completion date for Phase II will now be 30 November 1960.

Should you require any additional information, please do not hesitate to contact the undersigned.

Very truly yours,

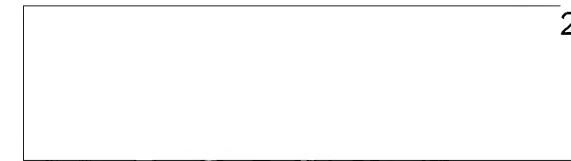


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Manager of Contracts

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## Northville Revised Cost Estimate

## IR 9 Keyes Integration

	1960		
	<u>Rate</u>	<u>Hours</u>	<u>Amount</u>
Development Engineer	6.24	480	\$ 2,995.
Associate Engineer	4.82	592	2,854.
Assistant Engineer	3.80	32	122.
Technician	2.66	640	1,702.
Draftsmen	3.18	240	763.
Electrical Fabrication	2.46	40	99.
Mechanical Fabrication	3.10	96	297.
Other	2.53	96	243.
<b>Total Labor</b>		<b>2,216</b>	<b>\$ 9,075.</b>
<b>Burden @ \$3.75/DL hours.</b>			<b>8,310.</b>
<b>Total Labor &amp; Burden</b>			<b>\$17,385.</b>
<b>Travel &amp; Subsistence</b>			<b>150.</b>
<b>Direct Material</b>			<b>743.</b>
<b>Sub-Total</b>			<b>\$18,278.</b>
<b>G &amp; A @ 5%</b>			<b>914.</b>
<b>Sub-Total</b>			<b>\$19,192.</b>
<b>Fee @ 7%</b>			<b>1,343.</b>
<b>Total Cost</b>			<b>\$20,535.</b>

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